

**PRESS RELEASE****Blue Star's Q3FY24 Net Profit increases by 72% to  
Rs 100.46 crores**

The Company witnessed robust demand for its room air conditioners and commercial refrigeration products during the festive season. The growth momentum during the quarter was also evident in its commercial air conditioning as well as the electro-mechanical projects business. This resulted in the Company registering a record Q3 in terms of revenue. Further, sustained improvement in its operating margins was made possible due to the Company's continued focus on total cost management, product portfolio optimisation and higher scale.

**Consolidated Financial Performance for Q3FY24**

- The Company's Revenue from Operations increased by 24.9% to Rs 2241.19 crores for the quarter ended Dec 31, 2023, compared to Rs 1794.17 crores during the same period the previous year.
- The Operating Profit (PBIDTA excluding Other Income) for the quarter improved significantly to Rs 155.35 crores (6.9% of Revenue) compared to Rs 104.71 crores in Q3FY23 (5.8% of Revenue) driven by enhanced scale and higher gross margins.
- Other Income including treasury income for Q3FY24 was Rs 12.67 crores compared to Rs 5.16 crores in Q3FY23.
- The Tax expense for the quarter was Rs 33.93 crores compared to Rs 21.64 crores in Q3FY23.
- Profit Before Exceptional Items grew by a significant 67.9% to Rs 134.39 crores during the quarter compared to Rs 80.05 crores in the same period of the previous year.

- Consequently, Net Profit for the quarter grew a significant 72% to Rs 100.46 crores compared to Rs 58.41 crores in the same quarter last year.
- Earnings per share (Face value of Rs 2.00) for Q3FY24 on an enhanced base stood at Rs 4.89 as compared to Rs 3.03 for Q3FY23.
- Carried-forward order book as of December 31, 2023, grew by 24.2% to Rs 6038.53 crores, as compared to Rs 4861.99 crores as of December 31, 2022.
- As reported in the previous quarters, the Company continues to invest in expanding its manufacturing capacity, accelerating R&D and digitalisation spends as a part of its growth plans and profitability improvement programmes. Consequently, the Capital Employed as of December 31, 2023, increased to Rs 2298.88 crores as compared to Rs 1505.56 crores as of December 31, 2022.
- The Company ended the quarter with a net cash position of Rs 157.30 crores as compared to a net borrowing of Rs 395.85 crores as of December 31, 2022.

### **Consolidated Segment Performance for Q3FY24**

- Revenue from the Electro-Mechanical Projects and Commercial Air Conditioning Systems segment grew by 17.9% to Rs 1182.30 crores during the quarter compared to Rs 1002.97 crores in the same quarter of the previous year. The Segment Result was Rs 96.66 crores (8.2% of Revenue) compared to Rs 71.68 crores (7.1% of Revenue) in Q3FY23. In the Electro-Mechanical Projects business, order finalisations from factories and data centres remained healthy. While the business witnessed a slowdown/delay in order finalisations as well as inflow of tenders both in the commercial buildings segment and in the infrastructure segment respectively, the execution of existing projects continued to be on track. The Commercial Air conditioning business continued to witness good demand from the industrial, healthcare, education and retail sectors apart from a significant increase in demand from Tier 3 & 4 cities.

- Unitary Products revenue grew by 35.5% to Rs 955.38 crores in Q3Y24 compared to Rs 704.99 crores in Q3Y23. The Segment Result grew to Rs 67.93 crores (7.1% of Revenue) in Q3Y24 compared to Rs 51.83 crores (7.4% of Revenue) during the same period last year. Aided by a good festive season, the room air conditioners business registered strong growth. While the summer season was tepid, robust demand in Q2 and Q3 has made up for the shortfall to a large extent. Driven by enhanced demand for deep freezers and modular cold rooms, the commercial refrigeration business also witnessed significant growth during the quarter. Stable raw material prices, exchange rates, total cost management, and the introduction of new products in this segment helped in profitability.
- The Professional Electronics and Industrial Systems Segment revenue grew 20.1% to Rs 103.51 crores in the quarter compared to Rs 86.21 crores in Q3FY23. The Segment Result was Rs 15.21 crores in Q3FY24 (14.7% of Revenue) compared to Rs 10.98 crores (12.7% of Revenue) in Q3FY23. The non-destructive testing business continued to gain traction while the healthcare business is benefiting from the expansion of the country's healthcare infrastructure and the rise in private and public investments.

### **Consolidated Financial Performance for the nine months ended December 31, 2023**

- For the nine months ended December 31, 2023, the Company reported Revenue from Operations of Rs 6357.59 crores compared to Rs 5353.49 crores over the same period in the previous year, a growth of 18.8%.
- Operating Profit (PBIDTA excluding Other Income) was Rs 423.04 crores (6.7% of Revenue) compared to Rs 313.61 crores (5.9% of Revenue) during the same period last year.
- Net Profit was Rs 254.60 crores compared to Rs 175.40 crores during the same period in the previous year, representing a significant growth of 45.2%.

## **Outlook**

Vir S. Advani, Vice Chairman & Managing Director, Blue Star Limited adds, "During the current financial year, the Company has delivered stellar operating performance across all its businesses. A buoyant festive season coupled with robust demand from the corporate and commercial segments, including from Tier 3 and 4 towns, enabled the Company to sustain this performance during the quarter. We anticipate the forthcoming summer season to be strong and expect the demand for room air conditioners and commercial refrigeration products to be robust. The carried-forward order book for the B2B businesses is healthy and we are confident that the execution pace will be sustained. Therefore, we are optimistic about ending FY24 on a high note in our 80<sup>th</sup> anniversary year."

Place: Mumbai

Date: Jan 30, 2024

*For additional information, please contact Girish Hingorani, Vice President – Marketing (Cooling & Purification Appliances) & Corporate Communications, Blue Star Limited. Email: girishhingorani@bluestarindia.com Tel: +91 22 66684000/ +91 9820415919*